BURLINGTON
LESLIE RAGAN

Annual Report

Burlington Route

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

1952

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FOREWORD

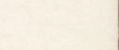
TO OUR PATRONS—

The Burlington sincerely appreciates the continued loyalty and patronage of the thousands of shippers and travelers which have made it possible for the Company to maintain its high standards of service. To merit your patronage, earnest efforts have been made to improve our service. The most recent major improvement was the opening of our new short cut between Kansas City and Chicago on October 28, 1952.

TO OUR EMPLOYES—

Satisfactory service depends upon the efficient use of modern facilities by our able, experienced, and loyal employes, to whom the Board of Directors expresses appreciation.

Burlington
Route



The Cover—
The new Kansas City Zephyr Train — Another link in the BURLINGTON Zephyr Fleet.

Ninety-Ninth

ANNUAL REPORT

of the

BOARD OF DIRECTORS

of the

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

For the year ended
December 31, 1952

Chicago, Burlington & Quincy Railroad Company

DIRECTORS

Term Expires 1953

RALPH BUDD . . . . Chicago, Ill.
Retired President, Chicago, Burlington & Quincy Railroad Company
JOHN M. BUDD . . . . St. Paul, Minn.
President, Great Northern Railway Company
ROBERT S. MACFARLANE . . . . St. Paul, Minn.
President, Northern Pacific Railway Company

Term Expires 1954

EDWARD FLYNN . . . . Chicago, Ill.
Retired Executive Vice President, Chicago, Burlington & Quincy Railroad Company
ELLSWORTH MOSER . . . . Omaha, Nebr.
President, U. S. National Bank of Omaha
R. DOUGLAS STUART . . . . Chicago, Ill.
Vice Chairman of the Board of Directors, The Quaker Oats Company

Term Expires 1955

GEORGE M. FOSTER . . . . Ottumwa, Ia.
Chairman of the Board, John Morrell & Company
J. C. JAMES . . . . Chicago, Ill.
Retired Executive Vice President and General Counsel,
Chicago, Burlington & Quincy Railroad Company
H. C. MURPHY . . . . Chicago, Ill.
President, Chicago, Burlington & Quincy Railroad Company

EXECUTIVE COMMITTEE

H. C. MURPHY . . . *Chairman*
JOHN M. BUDD
EDWARD FLYNN
GEORGE M. FOSTER
J. C. JAMES
ROBERT S. MACFARLANE
R. DOUGLAS STUART

OFFICERS

H. C. MURPHY, *President*	Chicago
F. L. KARTHEISER, *Vice President-Executive Department*	Chicago
L. R. CAPRON, *Vice President, Traffic Department*	Chicago
S. L. FEE, *Vice President, Operating Department*	Chicago
A. W. LAVIDGE, *Vice President and Comptroller*	Chicago
ELDON MARTIN, *General Counsel*	Chicago
F. E. SPERRY, *Assistant Vice President, Operating Department*	Chicago
H. H. URBACH, *Assistant Vice President-Mechanical*	Chicago
J. E. WOLFE, *Assistant Vice President-Labor Relations*	Chicago
BERT VICKERY, *Treasurer and Assistant Secretary*	Chicago
EDITH J. ALDEN, *Secretary, Assistant Treasurer and Transfer Agent*	Chicago
A. D. McLANE, *Assistant Secretary*	Chicago
J. F. McALPINE, *Director of Purchases and Stores*	Chicago
WALTER McFARLAND, *Assistant General Counsel*	Chicago
J. L. RICE, *General Solicitor*	Chicago
R. C. SMITH, *General Auditor*	Chicago
*H. R. CLARKE, *Chief Engineer*	Chicago
R. W. COGLAN, *Transfer Agent*	Chicago
N. STOCKHAMMER R. M. O'KELLY } *Fiscal Agents*	2 Wall Street, New York
E. V. FINK HELEN A. STORCH } *Transfer Agents*	2 Wall Street, New York
STATE STREET TRUST COMPANY, *Fiscal Agent and Transfer Agent*,	State and Congress Streets, Boston

The above were Directors and Officers as of December 31, 1952.

*Retired Dec. 31, 1952. H. A. Aalberg appointed Chief Engineer, Jan. 1, 1953.

Highlights of Operations

	1952	1951	Increase	Decrease
Operating Revenues (Page 21)	$270,347,780	$266,593,668	$ 3,754,112	
Operating Expenses (Page 21)	$193,435,960	$189,234,238	$ 4,201,722	
Operating Ratio (Page 21)	71.55%	70.98%	.57%	
Available for Fixed Charges	$ 33,774,752	$ 31,268,455	$ 2,506,297	
Fixed Charges (Page 21)	$ 5,774,160	$ 6,019,167		$245,007
Times Fixed Charges Earned	5.85	5.19	.66	
Total Taxes (Page 21)	$ 39,690,137	$ 41,233,781		$ 1,543,644
Net Income	$ 28,000,592	$ 25,249,288	$ 2,751,304	
Dividends Paid	$ 12,812,902	$ 11,958,709	$ 854,193	
Taxes per Share of Stock	$ 23.23	$ 24.14		$ .91
Net Income per Share of Stock	$ 16.39	$ 14.78	$ 1.61	
Dividends Paid per Share of Stock	$ 7.50	$ 7.00	$ .50	
Rate of return on net investment	4.72%	4.65%	.07%	
Average Number of Employes	30,152	31,160		1,008
Total Wages	$127,436,108	$122,661,815	$ 4,774,293	
Revenue Ton Miles	17,096,963,216	18,625,331,705		1,528,368,489
Revenue Passenger Miles	883,204,861	826,128,429	57,076,432	
Miles of Road Operated —end of year	8,866.59	8,834.10	32.49	
Total Outstanding Funded Debt including Equipment Obligations (Page 28)	$197,807,109	$196,852,082	$ 955,027	

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Report for the Year Ended December 31, 1952

Total operating revenues were the highest in the history of the Company, as were also the total operating expenses.

Total operating revenues, $270,347,780, were $3,754,112 or 1.41 per cent greater than in 1951.

Total operating expenses, $193,435,960, were $4,201,722 or 2.22 per cent more than in 1951.

Net income, $28,000,592, was $2,751,304 or 10.90 per cent more than in 1951.

Operating ratio was 71.55 per cent and in 1951 was 70.98 per cent.

Freight revenue, $223,230,964, increased $2,977,267 or 1.35 per cent.

Passenger revenue, $20,173,457, increased $980,738 or 5.11 per cent.

Mail revenue, $10,883,345, decreased $1,633,199 or 13.05 per cent.

Express revenue, $3,985,782, increased $1,199,028 or 43.03 per cent.

Substantial sums were invested in the property in order to improve our service and reduce operating costs. As a result, our charges to the public are much lower than they would have been had they kept pace with increases in wage costs and material prices.

Some of the more important improvements were new lines, new yards, grade and curve reductions, heavier rail, extensions of sidings, centralized traffic control, communication systems, modern roadway machines, new stations, modern shop buildings and tools, new freight and passenger cars, new diesel locomotives, and numerous other improvements.

Since 1945 the gross capital expenditures have amounted to $216,598,646, an average of $30,942,664 per year.

Capital Expenditures 1946-1952, inclusive

	Gross		Retirements		Net	
Year	Road & General	Equipment	Road & General	Equipment	Road & General	Equipment
1946	$7,589,022	$10,325,617	$2,456,665	$4,293,309	$5,132,357	$6,032,308
1947	8,579,787	22,387,809	1,984,481	4,533,130	6,595,306	17,854,679
1948	11,201,800	23,730,001	2,507,110	3,642,879	8,694,690	20,087,122
1949	9,256,970	19,161,939	2,645,945	3,677,817	6,611,025	15,484,122
1950	12,351,007	22,524,912	2,591,619	6,380,550	9,759,388	16,144,362
1951	8,647,919	21,080,167	2,701,451	7,575,134	5,946,468	13,505,033
1952	18,567,860	21,193,836	3,933,614	7,049,231	14,634,246	14,144,605

Totals for Period

	Gross	Retirements	Net
Road and General	$ 76,194,365	$ 18,820,885	$ 57,373,480
Equipment	140,404,281	37,152,050	103,252,231
Total	$216,598,646	$ 55,972,935	$160,625,711

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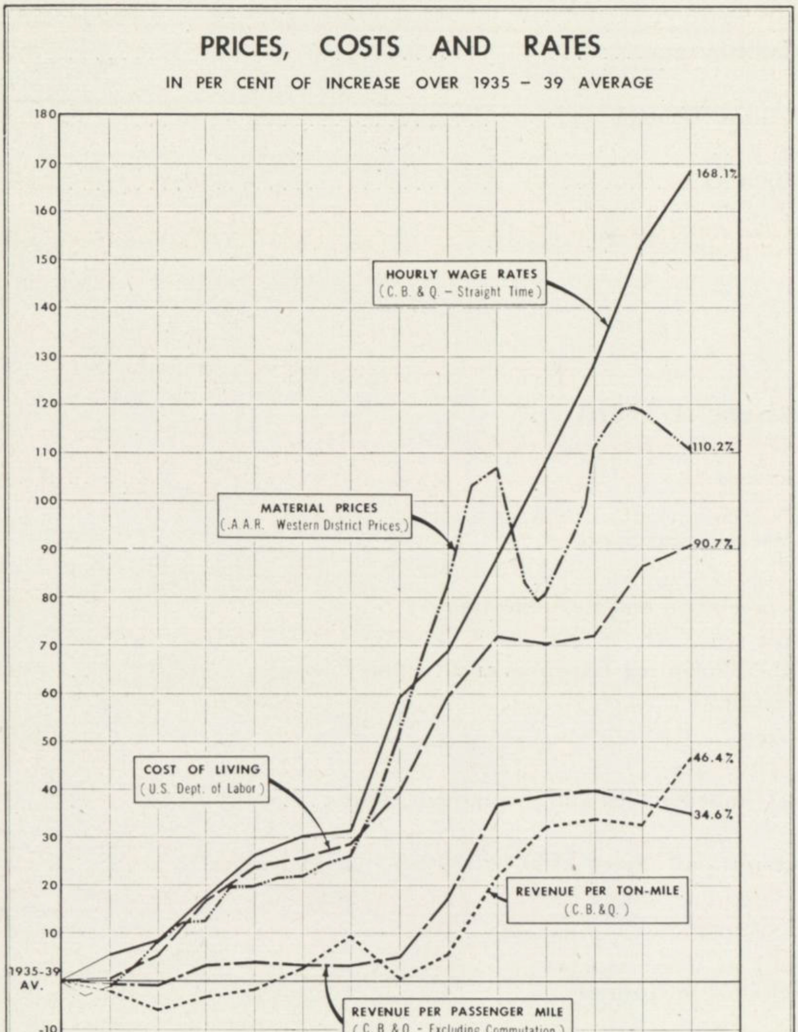


PRICES, COSTS AND RATES

IN PER CENT OF INCREASE OVER 1935 – 39 AVERAGE

Our 1952 Income Dollar

Where it Came From . . .

Freight Revenue (Including Switching)	83.4¢
Passenger Revenue	7.4
Mail Revenue	4.0
Express Revenue	1.5
All Other	3.7
Total	100.0¢

Where it Went . . .

Payrolls	45.4¢
Materials and Supplies	14.2
Depreciation and Retirements	5.1
Other Operating Expenses and Income Charges	6.2
Taxes	14.6
Net Joint Facility and Equipment Rents	2.0
Interest on Funded Debt and Other Fixed Charges	2.2
Dividends	4.7
Retained in Business	5.6
Total	100.0¢

TRAFFIC

Freight

Revenue tons carried in 1952 decreased 3,080,043 or 5.77 per cent under 1951, and freight train miles decreased 3.77 per cent. The revenue tons per freight train hour increased .44 per cent over 1951.

Average revenue per ton mile increased from 1.183 cents in 1951 to 1.306 cents in 1952, or 10.40 per cent.

Average load per car of carload traffic decreased from 35.5 tons in 1951 to 35.1 tons in 1952.

Source of Freight Revenue

	1952 Revenue*	Per Cent of Total	Per Cent Change from 1951	
			Increase	Decrease
Products of Agriculture	$ 49,568,884	20.97		4.48
Animals and Products	16,855,850	7.13	14.86	
Products of Mines	40,137,645	16.98		4.05
Products of Forests	13,705,862	5.80	3.08	
Manufactures and Miscl.	97,373,533	41.18	3.84	
Forwarder Traffic	9,620,341	4.07	26.46	
Less Carload Freight	9,155,624	3.87	1.97	
Total	$236,417,739	100.00	1.88	

*Gross Freight Revenue, stated without adjustments for absorptions or corrections which reduced total freight revenue to $223,230,964.

Passenger

Passenger revenue increased $980,738 or 5.11 per cent over 1951. The passenger train miles decreased 67,529 or .57 per cent compared with 1951.

Exclusive of commutation traffic, the revenue passengers carried in 1952 increased 75,817 or 1.75 per cent over 1951 and the revenue passenger miles increased 53,010,862 or 7.37 per cent over 1951. The average revenue per passenger mile, exclusive of commutation, was 2.40 cents compared with 2.45 cents in 1951.

Commutation passengers carried in 1952 increased 259,121 or 4.25 per cent over 1951 and commutation passenger miles increased 4,065,570 or 3.78 per cent over 1951.

To improve the passenger service thirty-one new stainless steel sleeping, coach, dining, parlor, and mail and baggage cars were received and placed in service between the principal points on our line during the year.

The North Coast Limited train between Chicago-Seattle and Portland was re-scheduled effective November 16, 1952, reducing the time westbound between Chicago and Seattle by 12 hours and eastbound 9¼ hours. Between Chicago and Portland the time was reduced 12 hours westbound and 11¾ hours eastbound. On the same date a secondary train, "The Mainstreeter," was established between Chicago and the Pacific Northwest on the old schedule of the North Coast Limited.

Two new mail trains were established between Chicago and Omaha.

Unprofitable Passenger Trains

Efforts of the Company to eliminate its light-traffic passenger trains were continued during the year and resulted in a saving of 175,364 train miles per annum.

RATE CHANGES

Freight

The Interstate Commerce Commission, on April 11, 1952, issued a further order in Ex Parte 175 granting the request of carriers for a total increase of 15 per cent (inclusive of previous interim increases, which for the Burlington are estimated at 5.7 per cent).

The increase is applied to freight charges rather than rates and is subject to certain exceptions. Applied to Burlington traffic, the increase is estimated at 13.55 per cent.

Maximum increases are provided on such commodities as building woodwork; coal and coke; copper, lead and zinc articles; canned goods; fresh fruits; lumber; sugar; and fresh vegetables.

A 12 per cent increase, instead of 15 per cent, was authorized on grain and grain products, flaxseed when taking grain or grain products rates, iron ore, sand and gravel in open cars, oyster shells, slag and crushed stone.

The increase became effective on May 2, 1952, except on grain, grain products and flaxseed, for which the effective date was May 17, 1952. For all commodities, the expiration date of the order is February 28, 1954.

Passenger

The Pullman Company established a minimum Pullman fare, effective August 1, 1952, of $5.00 for a lower berth. Prior to that the minimum fare was $4.05.

Express

During 1952 the Railway Express Agency continued its efforts to have various State Commissions authorize for intrastate application a permanent increase of about 11 per cent in rates and charges, as allowed by the Interstate Commerce Commission in its order of October 23, 1951. At the end of 1952, the full increase had been made effective in all but two states. Meanwhile, studies of express rate structure have been made with a view toward further revision to keep pace with rising costs and to provide adequate payments to the railroads for the express services performed.

AGRICULTURE AND LIVESTOCK

Production of farm crops in states served by the Burlington was above normal in 1952. Wheat production increased 47.1 per cent over the relatively poor year of 1951 and was 34.7 per cent above the ten-year, 1941-1950, average. Corn increased 29.6 per cent over the previous year, soybeans 3.2 per cent, potatoes 48.3 per cent, and sugar beets 7.5 per cent. Due largely to decreased acreages, barley declined 24.3 per cent, oats 3.8 per cent. Hay production was 5.4 per cent below the large crop of 1951 although 13.2 per cent above the ten-year average.

Almost as large an acreage of winter wheat was planted in the fall of 1952 for harvest in 1953 as was seeded the preceding fall, but an extended late summer and fall drouth resulted in poor germination and limited early development of the crop, particularly in central Nebraska and parts of Kansas. This was alleviated somewhat by snows in November. Production estimates vary widely but it is now believed that average to good spring weather in our immediate territory could result in total production approaching the ten-year, 1941-1950, average or about 35 to 40 per cent less than 1952. This reduction will be partially offset trafficwise by heavy storage of the 1952 crop, which at the close of the year amounted to 604,121,000 bushels in Burlington states, or an increase of 46.6 per cent. Corn carried over at the end of the year increased 18.3 per cent, while oats decreased 5.2 per cent, and barley decreased 25.1 per cent.

Cattle on farms and ranges continued to increase and at the close of the year were 7.3 per cent above 1951. Hogs decreased 14.1 per cent and sheep decreased 1.2 per cent. In states served by the Burlington, cattle on feed at the close of the year exceeded the number at the end of 1951 by 21.6 per cent.

INDUSTRIAL

During 1952, 382 new industrial leases were made of C.B. & Q. property. Forty-one new industries located on private ground available to C.B. & Q. service and 17 industries served by the C.B. & Q. enlarged their plant facilities. Fifty-nine new industrial tracks or track extensions served by the C.B. & Q. were built and 7 temporary contractors' tracks installed.

OPERATION

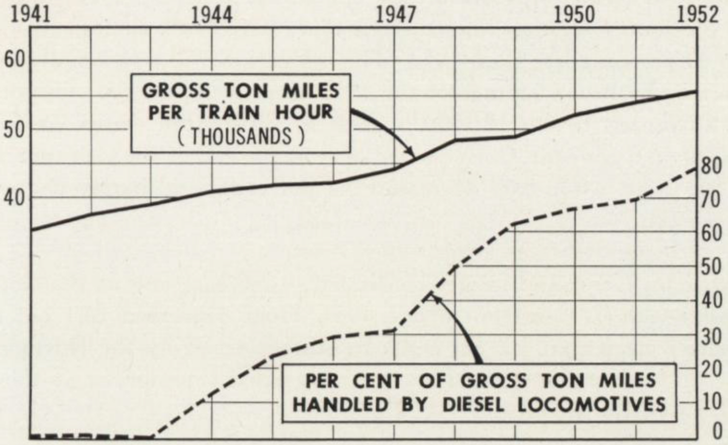
Maintenance of Way and Structures expenses, excluding depreciation and retirements, decreased $267,374 or .73 per cent under 1951. Some of the important maintenance work performed during the year 1952 was:

46.58 miles of track were relaid with new 129-pound T.R. rail.
108.70 miles of track were relaid with new 112-pound T.R. rail.
71.55 miles of track were relaid with secondhand 112, 110, 100 and 90-pound rail.
638,765 new creosoted cross ties were placed in track.
618,325 cubic yards of ballast were applied.
Flood protection work was continued.

Maintenance of Equipment expenses, excluding depreciation and retirements, increased $1,602,163 or 5.19 percent over 1951. All equipment was currently maintained. 6,955 freight cars were given general repairs.

Transportation expenses increased $1,564,717 or 1.67 per cent over 1951. The total increase was less than the increase in labor costs resulting from increased rates of pay in 1952. The transportation ratio was 35.17 per cent compared with 35.08 per cent in 1951.

Transportation efficiency as measured by gross ton miles per train hour has improved with the increased use of diesel power, as illustrated by the chart.



Flood Damage

Flood waters in the Missouri River valley, principally during the month of April 1952, interrupted traffic and caused approximately $1,760,000 damage to our lines. Remedial measures that the Army Engineers assure us will decrease the hazard of recurring floods are being taken in the upper reaches of the Missouri River. More especially, these measures consist of construction of the Fort Randall and the Garrison Dams, which will be finished in 1953 and 1954, respectively. It is the opinion of the Corps of Engineers, U.S. Army, that a flood of the 1952 intensity will be prevented by the completion of these two dams since their storage capacity is sufficient to control the flood stages well below the height of the protecting levees below these dams. These conclusions were reached by the Army Engineers after reproducing the 1952 flood stages on the model of the Mississippi Basin built to scale on a 164 acre tract of land near Jackson ,Mississippi. Based upon the experience obtained since the scale model has been in use, forecasts of predicted stages have been quite accurate.

IMPROVEMENTS

Net capital expenditures in 1952:

Road	$14,850,182
Equipment	14,144,605
General	Cr. 215,936
Total	$28,778,851

Road

Major improvements completed during the year were:

Raising grade and bridges, Callao, Missouri.
Freight forwarding house and tracks, Denver, Colorado.
Improvements to Bridge 488.90 Mosquito Creek, Island Park, Iowa.
Raising grade and Bridge 20.10, Woodland, Missouri.
Line and grade change, Ely, Missouri.
Drainage improvements, Sterling, Nebraska, to Lincoln, Nebraska.
Raising grade and rebuilding bridges, Nemaha, Nebraska.
Relocation of main line at Seward, Nebraska.
Relocation of main line at Trenton, Nebraska.
Centennial cut-off, Brookfield to Maxwell, Missouri.

Major improvements still under construction:

A-S-B Bridge improvements, Kansas City, Missouri.
Connection between Murray Yard and Kansas City Terminal via A-S-B Bridge, Kansas City, Missouri.
Grade and bridge improvements, Wheeling, Missouri.
Construction of freight house and rearrangement of tracks at Morton Park, Illinois.
Construction of Universal freight forwarder house, Minneapolis, Minnesota.
Installation of Centralized Traffic Control, Pacific Junction, Iowa to Lincoln, Nebraska.
Cab signals, Chicago-Aurora, Illinois.
Construction of warehouse, Minneapolis, Minnesota.

Equipment

Built in Company Shops:

200—52′ 6″ 70-ton mill type steel gondolas.
50—65′ 6″ 70-ton mill type steel gondolas.
400—53′ 6″ 50-ton steel flat cars.
200—29′ 3″ 70-ton steel covered hopper cars.

Built by Burlington Refrigerator Express Company:

175—40′ 50-ton refrigerator cars.
100—40′ 50-ton refrigerator cars for meat service.

Purchased:

6—2250 h.p. diesel-electric passenger locomotives E-8.
13—1500 h.p. diesel-electric road-switch locomotives GP-7.
12—1500 h.p. diesel-electric road-switch locomotives SD-7.
1—Mail-baggage car.
4—Coaches.
2—Buffet-dome-coach cars.
2—Parlor-dome-observation cars.
3—Dining cars.
3—Bedroom-compartment sleeping cars.
8—Bedroom-roomette sleeping cars.
6—Bedroom-roomette-section sleeping cars.
1—Dome-room-observation car.
1—Open section sleeping car.
1—Business car.
1—Clamshell.
1—Pile driver.
2—Ballast spreaders.

Equipment on order, delivery expected in 1953:

To be built in Company Shops:

1—53′ 125-ton steel flat car.
2,250—40′ 6″ 50-ton steel box cars.
750—29′ 3″ 70-ton steel hopper cars.
30—Baggage cars.

To be built by Burlington Refrigerator Express Company:

30—50′ refrigerator cars with mechanical refrigeration, thermostatically controlled.
100—40′ refrigerator cars for meat service.

To be purchased:

10—Double-deck stainless steel suburban coaches.
1—Clamshell.

LABOR

On May 23, 1952, an agreement was reached between a Carriers' Conference Committee and a committee representing the Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, and Order of Railway Conductors, which disposed of the remaining issues growing out of the demand of the Brotherhoods for a forty-hour work week and related rule changes. The increases in rates of pay were the same as those in an agreement made on May 25, 1951, with the Brotherhood of Railroad Trainmen—an increase in basic rates of 12½ cents an hour for employes in road service and 27 cents an hour in behalf of yard service employes. A portion of these increases was retroactive to October 1950. In addition, the agreement included the same cost-of-living provision as that contained in agreements negotiated during the year 1951 with the Brotherhood of Railroad Trainmen and also the non-operating employes, which provided for an increase of 6 cents retroactive to April 1, 1951, and an additional 1 cent an hour retroactive to July 1, 1951. These increases in the aggregate will increase operating expenses approximately $2,386,000 a year.

The cost-of-living provision in the labor agreements required a 4 cent an hour increase on January 1, 1952, a 1 cent reduction on April 1, an increase of 2 cents on July 1, and another 2 cents on October 1, the composite effect of which resulted in increasing the 1952 payroll expense approximately $3,444,000. Effective January 1, 1953, the cost-of-living provisions permitted a 1 cent an hour reduction, which will reduce annual operating expenses at the rate of $725,000.

On May 23, 1952, the same date as the agreement with the three transportation brotherhoods was signed, the Secretary of the Army issued General Order No. 6 terminating Government control of the railroads which had been in effect since August 25, 1950.

A five-day work week became effective for our yardmen on July 1, 1952. Under the terms of the National Agreement with the Brotherhood of Railroad Trainmen these employes received an additional 4 cents an hour on that date, which increased our operating expenses approximately $163,000 a year.

National Wage Agreements with employes negotiated in 1951 and 1952 all contained a moratorium on proposal for changes in rates of pay until October 1, 1953, but each contained a reopening clause after July 1, 1952, if the Government's Wage Stabilization Policy permits so-called annual improvement wage increases. On December 30, 1952, Paul M. Guthrie, Referee, appointed by the President of the United States, issued a decision that the Government Wage Stabilization Policy permits so-called annual improvement wage increases. Whereupon, hearings were commenced on January 5, 1953, before the Referee by a Carriers' Conference Committee and a committee representing the employes for the purpose of determining whether any further wage adjustments are justified in the railroad industry.

SIGNALS AND INTERLOCKERS

Major items of signaling completed during 1952 include 74 miles of CTC between Brookfield and Maxwell, Missouri, on the new Centennial Cut-off; 3.61 miles of CTC between Beverly and Weston, Missouri; replacing manually operated mechanical interlocking at Seward, Nebraska, and Beverly, Missouri, with automatic interlocking; and installation of a new interlocking at Sumner, Missouri.

Thirteen installations of modern highway crossing protection were also completed, the majority of which replaced manual protection and were self-liquidating.

In addition to the projects outlined above which have been completed, work has been started on the 107 miles of CTC between Pacific Junction, Iowa, and Lincoln, Nebraska. This project will be completed in the fall of 1953.

Work is also progressing on the installation of cab signals between Chicago and Aurora. Of the 130 passenger locomotives to be equipped with this system, 114 have been completed. It is expected to have the greater portion of this section in service by midsummer.

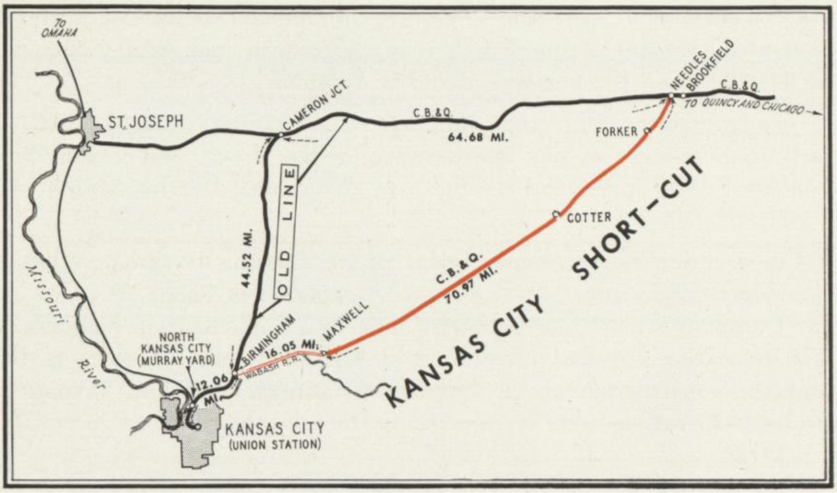
Plans are being developed for the 25 miles of automatic block signals between Galesburg and Bushnell, Illinois, and the 71 miles of CTC between Bushnell and Quincy, Illinois.

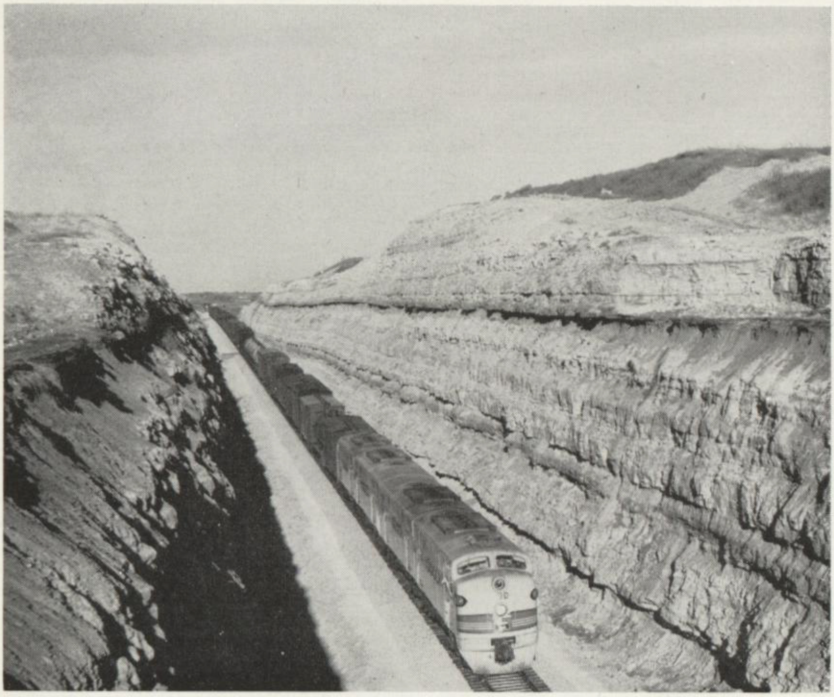
CENTENNIAL CUT-OFF, NEEDLES TO MISSOURI CITY, MISSOURI

Building of this line was outlined in the 1949 report (page 11). Construction was completed and freight service over the new cut-off was inaugurated October 28, 1952, however, the passenger service did not go into effect until February 1, 1953.

The new route consists of relocation of line between Needles and Forker Junction, 6.53 miles, a new line between Cotter and Maxwell, 42.59 miles, and rehabilitation of the line between Forker Junction and Cotter, 21.85 miles, or a total of 70.97 miles. This shortens the distance between Chicago and Kansas City by 22.25 miles.

The new line between Cotter and Maxwell, 42.59 miles, was constructed by the Kansas City and Brookfield Railroad Company, a wholly-owned subsidiary. Pursuant to authority given in order of the Interstate Commerce Commission (Division 4) dated December 11, 1952, the C.B. & Q. R.R. Co. purchased the properties of the Kansas City and Brookfield Railroad Company in December 1952.


TO OMAHA
ST. JOSEPH
CAMERON JCT.
C.B.&Q.
64.68 MI.
NEEDLES
BROOKFIELD
C.B.&Q.
TO QUINCY AND CHICAGO
FORKER
COTTER
44.52 MI.
OLD LINE
Missouri River
KANSAS CITY SHORT-CUT
C.B.&Q.
70.97 MI.
MAXWELL
BIRMINGHAM
16.05 MI.
WABASH R.R.
NORTH KANSAS CITY (MURRAY YARD)
12.06 MI.
KANSAS CITY (UNION STATION)



First Freight Train Through Summit Cut, Kansas City Short-Cut, October, 1952

LINE ABANDONMENTS AND TRACK CHANGES

On December 7, 1951, the Interstate Commerce Commission authorized abandonment of our line between Oquawka and Arpee, Illinois, 18.44 miles, and the line was abandoned January 7, 1952.

The Interstate Commerce Commission, on February 1, 1952, authorized abandonment of our line between Sedan, Iowa, and Unionville, Missouri, 24.29 miles, and the line was abandoned effective March 13, 1952.

Construction by the Government of its Trenton (Nebraska) Dam necessitated relocation, at Government expense, of about 19 miles of the Company's main line between Culbertson and Stratton, Nebraska. The relocation required excavation of 4,170,000 cubic yards of earth and the construction of 97 drainage structures, including 11 major bridges. Operations were transferred to the relocated line on December 15, 1952.

At Kansas City, Missouri, pursuant to authority of the Interstate Commerce Commission granted May 20, 1952, the Company acquired trackage rights over a portion of the main line of the Missouri Pacific, which, in conjunction with authorized track changes on the Kansas City Terminal, will provide a more expeditious route for the movement of through freight trains between Kansas City and St. Louis, Missouri.

FINANCIAL

During 1952, capital liabilities of the Company increased $955,027:

Funded Debt	$7,723,100	Decrease
Equipment Obligations	8,678,127	Increase
Total	$ 955,027	Increase

The annual interest charges decreased $236,395.

As outlined in the 1950 report (page 13), the Company sold $25,000,000 principal amount of First and Refunding Mortgage Series of 1990 3% Bonds dated February 1, 1950, due February 1, 1990, to provide for payment of the principal amount of the outstanding $12,460,100 First and Refunding 4½% Series B Bonds, called for redemption February 1, 1952, and to provide funds to reimburse the Company for a portion of net capital expenditures in connection with construction of the new line between Brookfield and Kansas City, Missouri. The proceeds from sale of the bonds were deposited with J. P. Morgan & Company, Inc., pursuant to a deposit agreement; and, as of December 31, 1952, $205,500 remained on deposit to redeem a like principal amount of First and Refunding Mortgage 4½% Series B Bonds which had not been presented for redemption.

Construction of the new line between Brookfield and Kansas City, Missouri, was completed in 1952 and the $12,597,400 deposited to reimburse the Company for expenditures on this line was paid to the Company by J. P. Morgan & Company, Inc., in accordance with the terms of the deposit agreement.

TAXES

Tax accruals in 1952 of $39,690,137 were $1,543,644 less than in 1951.

During the year, a refund of income taxes covering the years 1943 to 1949, amounting to $4,894,121 plus interest, was received, of which $2,182,311 was credited to Railway Tax Accruals and $2,711,810 was credited to Profit and Loss.

	1952	
Federal income taxes	$22,837,125	$1,642,261 Decrease
Federal Railroad Retirement and Unemployment taxes	6,963,140	305,741 Increase
State and other Government taxes	9,889,872	207,124 Decrease
Total	$39,690,137	$1,543,644 Decrease

Total taxes in 1952 amounted to 14.68 per cent of total operating revenues, equivalent to $23.23 a share of capital stock.

To December 31, 1952, certifications under Section 124-A of the Internal Revenue Code were received authorizing amortization, over a 60-month period, of part of the cost of 7,950 freight and refrigerator cars, 123 diesel units, and 60 baggage cars, in determining the amount due for income taxes.

The total amount of the amortization charges in 1952 in excess of normal depreciation charges, considered as an expense in computing the income taxes, was $4,353,365, which reduced the amount of the income taxes for 1952 by $2,263,750, and resulted in a corresponding increase in net income. The Interstate Commerce Commission, in its order of December 21, 1951, provided that only normal depreciation charges should be included in the income account. This method of accounting has the effect of increasing the net income during the years in which the amortization is included in arriving at the taxable income, and will have the further effect of reducing the net income during the life of the equipment after the 60 months' amortization period as the depreciation charges will be included in the income account but no allowance will be made in determining the income taxes for that portion of the cost for which amortization previously was allowed.

DIVIDENDS

Dividends totaling $7.50 per share were paid in 1952, the ninety-first consecutive year in which the Company has paid a dividend.

BURLINGTON TRUCK LINES

During the year, Burlington Truck Lines, Inc., a wholly-owned subsidiary, operated 6,985,988 truck miles over 5,210 route miles at a net loss of $185 compared with a net gain of $30,173 in 1951.

Truck license fees in the State of Illinois alone increased in 1952 some $45,591 as a result of action of the Illinois Legislature in increasing such fees, which was upheld by the Supreme Court of the United States.

In 1952 the Truck Lines acquired 10 tractors and 51 semi-trailers at a cost of $295,583.

COLORADO AND SOUTHERN LINES

During 1952, total system debt of the Colorado and Southern Lines, excluding equipment and intercompany obligations, was reduced to $17,000,000, in contrast to a total of $56,065,095 on January 1, 1942, and all obligations to Reconstruction Finance Corporation were discharged.

The Special Court at Denver approved a comprehensive program for refunding all outstanding debt and for simplification of the corporate structure of the Colorado and Southern and its subsidiaries. Pursuant to this authority, $17,000,000 principal amount of Fort Worth and Denver First Mortgage Bonds dated May 1, 1952, bearing interest at the rate of 4⅜% per annum, were sold on competitive bids. These bonds were unconditionally guaranteed by Colorado and Southern. The proceeds were used by Fort Worth and Denver to pay the balance due on its note to Reconstruction Finance Corporation, and to purchase from the Colorado and Southern the stock and obligations of seven wholly-owned Texas subsidiaries, the properties of which were conveyed to Fort Worth and Denver.

With the funds received from the Fort Worth and Denver for the seven Texas subsidiaries, and necessary additional treasury cash, the Colorado and Southern purchased its remaining Refunding and Extension Mortgage Bonds owned by Reconstruction Finance Corporation, and deposited with the Trustee under its General Mortgage sufficient funds to call for redemption on November 1, 1952, all of its General Mortgage Bonds other than those held by Fort Worth and Denver and pledged under its new mortgage. On June 12, 1952, the Colorado and Southern Refunding and Extension Mortgage, the Fort Worth and Denver First Mortgage, dated December 1, 1935, and the mortgages and indebtedness of the seven Texas companies, were released and canceled.

EMPLOYE BENEFITS

The Relief Department paid out $744,588 during 1952 in disability and death claims to 4,587 employes.

The Company accrued Federal Railroad Retirement taxes of $6,449,722 and Federal Railroad Unemployment Insurance taxes of $513,418.

GOVERNMENT LITIGATION

On December 19, 1952, the Anti-Trust suit against certain western railroads, including this Company, which had been pending for over seven years in the Federal Court at Lincoln, Nebraska, was dismissed in response to motions by the defendants and the Government.

Seventeen complaints against the railroads, filed with the Interstate Commerce Commission by the United States, seeking reparation for alleged unreasonable freight charges on shipments of war materials, are still pending and are being contested. Briefs have been filed in these proceedings, and the Examiners' proposed report is in course of preparation.

CHANGES IN ORGANIZATION

Mr. J. C. James, Executive Vice President and General Counsel, retired February 29, 1952, under the Pension Rules. The Board of Directors adopted the following resolution April 23, 1952:

> RESOLVED: That this Board express to Mr. James Charles James for the Company and its officers, sincere regret at his retirement from active service. His acceptance of the invitation to continue to serve as a director, however, will in some degree mitigate the loss of his active participation in the Company's day-by-day activities.
>
> For thirty five years, Mr. James devoted his ability and judgment to the interests of the Company and its subsidiaries, all of which, through this Board, desire to record their appreciation of his wise and effective guidance. These companies are indebted to him, also, for the wholehearted effort which, over the years, gave character and direction to his leadership. He has well earned freedom from the responsibilities he has carried, and all the members of the Board express their sincere wish that he may long enjoy health and happiness.

Other officers who retired under the Pension Rules during 1952 were:

Mr. A. Cotsworth, Jr., Passenger Traffic Manager
Mr. H. R. Clarke, Chief Engineer
Mr. O. E. Ward, Superintendent Motive Power, Lines East
Mr. J. P. Blum, General Purchasing Agent
Mr. G. A. Hoffelder, Freight Traffic Manager-Rates and Divisions.

Mr. F. L. Kartheiser, formerly Assistant to President, was elected Vice President-Executive Department, effective December 15, 1952, after 43 years of service with the Company.

Mr. A. W. Lavidge, formerly Comptroller, was elected Vice President and Comptroller, effective December 15, 1952, after 47 years of service with the Company.

Mr. Eldon M. Martin, formerly General Solicitor, was elected General Counsel, effective March 1, 1952, after 22 years of service with the Company. Effective the same date, Mr. J. L. Rice, formerly Attorney-Western District, was appointed General Solicitor, after 42 years of service with the Company, and Mr. R. T. Cubbage, formerly Assistant to General Counsel, was appointed Corporation Counsel, after 15 years of service with the Company.

Mr. H. H. Urbach, formerly General Superintendent of Motive Power and Machinery, was appointed Assistant Vice President-Operation (Mechanical) effective December 15, 1952, after 44 years of service with the Company. Effective the same date, Mr. C. E. Melker, formerly Superintendent Motive Power, Lines West, was appointed General Superintendent Motive Power, after 46 years of service with the Company, and Mr. C. A. Moody, formerly Superintendent of Shops, was appointed Assistant General Superintendent Motive Power, after 32 years of service with the Company.

Mr. J. E. Wolfe, formerly Assistant to Vice President-Operation (Labor Relations) was appointed Assistant Vice President-Operation (Labor Relations) effective April 1, 1952, after 27 years of service with the Company.

Mr. J. F. McAlpine, formerly Assistant General Purchasing Agent, was appointed Director of Purchases and Stores, effective June 1, 1952, after 43 years of service with the Company. Effective the same date, Mr. H. V. Schiltz, formerly Assistant General Purchasing Agent, was appointed General Purchasing Agent, after 34 years of service with the Company, and Mr. C. E. Swanson, formerly General Storekeeper, was appointed Assistant General Purchasing Agent, after 41 years of service with the Company.

Mr. J. J. Alms, formerly General Passenger Agent, Omaha, Nebraska, was appointed General Passenger Traffic Manager, effective April 1, 1952, after 31 years of service with the Company, and effective the same date Mr. B. L. Gartside, formerly General Passenger Agent, was appointed Passenger Traffic Manager, after 39 years of service with the Company.

Mr. G. H. Rehm, formerly Assistant Freight Traffic Manager-Rates and Divisions, was appointed Freight Traffic Manager-Rates and Divisions, effective July 1, 1952, after 30 years of service with the System Lines.

By order of the Board of Directors.

H. C. MURPHY, President

COMPARATIVE STATEMENT OF INCOME, YEARS ENDED DECEMBER 31

(See Pages 32 to 34)

Percent of Ry. Oper. Revenue	1952	Railway Operating Revenues	1951	Percent of Ry. Oper. Revenue
82.57	$223,230,964.22	Freight	$220,253,697.00	82.62
7.47	20,173,457.34	Passenger	19,192,719.18	7.20
4.03	10,883,345.17	Mail	12,516,543.71	4.69
1.47	3,985,781.79	Express	2,786,753.47	1.05
1.75	4,743,059.17	All other transportation	4,607,242.81	1.73
2.32	6,288,895.18	Incidental	6,248,338.90	2.34
.39	1,042,276.67	Joint facility	988,373.29	.37
100.00	270,347,779.54	Total railway operating revenues	266,593,668.36	100.00
Operating Ratios		**Railway Operating Expenses**		Operating Ratios
15.57	42,108,312.34	Maintenance of way and structures	41,782,836.94	15.67
15.11	40,839,793.48	Maintenance of equipment	39,300,551.55	14.74
2.09	5,662,758.86	Traffic	5,386,677.10	2.02
35.17	95,078,458.09	Transportation	93,513,741.48	35.08
1.28	3,449,509.97	Miscellaneous operations	3,223,255.79	1.21
2.33	6,297,126.90	General	6,027,175.71	2.26
71.55	193,435,959.64	Total railway operating expenses	189,234,238.57	70.98
28.45	76,911,819.90	Net revenue from railway operations	77,359,429.79	29.02
	*22,837,125.28	Federal income taxes	24,479,385.85	
	6,963,139.87	Federal payroll taxes	6,657,398.69	
	9,889,871.91	All other taxes	10,096,996.13	
	39,690,137.06	Total taxes	41,233,780.67	
	37,221,682.84	Railway operating income	36,125,649.12	
	Dr. 3,234,128.34	Hire of equipment—Net	Dr. 4,065,950.79	
	Dr. 2,243,559.33	Joint facility rents—Net	Dr. 1,943,026.78	
	31,743,995.17	Net railway operating income	30,116,671.55	
		Other Income		
	782,615.32	Rentals	741,164.06	
	1,471,953.87	Dividends and interest	820,668.84	
	33,001.64	Miscellaneous	48,565.08	
	2,287,570.83	Total other income	1,610,397.98	
	34,031,566.00	Total income	31,727,069.53	
		Deductions from Total Income		
	27,522.79	Rents payable	30,589.60	
	99,049.75	Taxes on nonoperating property	90,218.86	
	130,241.05	Miscellaneous income charges	337,805.91	
	256,813.59	Total deductions	458,614.37	
	33,774,752.41	Income available for fixed charges	31,268,455.16	
		Fixed Charges		
	50,858.18	Rent for leased roads and equipment	50,817.21	
	5,679,181.34	Interest on funded debt	5,915,575.55	
	2,880.90	Interest on unfunded debt	3,172.36	
	41,239.77	Amortization of discount on funded debt	49,602.50	
	5,774,160.19	Total fixed charges	6,019,167.62	
	*28,000,592.22	Net income after fixed charges	25,249,287.54	
		Disposition of Net Income		
	12,812,902.50	Dividend appropriations of income	11,958,709.00	
	$ 15,187,689.72	Balance of income transferred to Earned Surplus	$ 13,290,578.54	

*See Page 17—"Taxes"

GENERAL BALANCE SHEET

December 31, 1952

ASSETS

INVESTMENTS:		
Road and equipment property		$809,618,738.89
Accrued depreciation—road and equipment	$151,257,826.31	
Accrued amortization of defense projects—road and equipment	41,682,636.15	192,940,462.46
Total investment road and equipment less depreciation and amortization		616,678,276.43
Capital and other reserve funds		173,278.74
Miscellaneous physical property		7,551,236.26
Investments in affiliated companies:		
Stocks	$ 27,446,007.62	
All other	11,859,735.27	39,305,742.89
Other investments:		
Stocks	$ 3,689,996.58	
Bonds	4,256,457.30	
All other	3,652.40	7,950,106.28
Total investments less depreciation and amortization		671,658,640.60
CURRENT ASSETS:		
Cash		28,894,124.65
Temporary cash investments		20,556,437.72
Special deposits		520,096.77
Net balance receivable from agents and conductors		4,999,601.37
Miscellaneous accounts receivable		7,661,096.13
Material and supplies		24,345,433.77
Interest and dividends receivable		68,930.24
Accrued accounts receivable		6,935,245.51
Other current assets		371,365.49
Total current assets		94,352,331.65
DEFERRED ASSETS:		
Working fund advances		183,578.07
Other deferred assets		1,522,593.80
Total deferred assets		1,706,171.87
UNADJUSTED DEBITS:		
Prepayments		507,257.23
Discount on funded debt		350,448.59
Other unadjusted debits		3,811,317.09
Total unadjusted debits		4,669,022.91
Grand Total		$772,386,167.03

GENERAL BALANCE SHEET

December 31, 1952

LIABILITIES

CAPITAL STOCK:		
Common stock—Par value $100 per share		$170,839,100.00
LONG-TERM DEBT:		
Funded debt unmatured (Page 28):		
Total book liability	$328,359,600.00	
Less held by or for the company	178,114,600.00	150,245,000.00
Equipment obligations (Page 28)		47,562,108.60
Amounts payable to affiliated companies		131,155.91
Total long-term debt		197,938,264.51
CURRENT LIABILITIES:		
Traffic and car service balances—Cr.		1,557,989.88
Audited accounts and wages payable		11,908,935.06
Miscellaneous accounts payable		3,663,446.74
Interest matured unpaid		99,365.38
Unmatured interest accrued		1,993,510.88
Accrued accounts payable		3,397,499.39
Taxes accrued		32,124,807.04
Other current liabilities		4,238,724.74
Total current liabilities		58,984,279.11
DEFERRED LIABILITIES:		
Other deferred liabilities		435,712.79
UNADJUSTED CREDITS:		
Premium on funded debt		374.44
Insurance reserves		1,392,996.20
Other unadjusted credits		1,033,244.44
Accrued depreciation—leased property		62,137.83
Total unadjusted credits		2,488,752.91
SURPLUS:		
Unearned surplus		268,522.24
Earned surplus—appropriated (Page 24)		48,025,460.10
Earned surplus—unappropriated (Page 24)		293,406,075.37
Total surplus		341,700,057.71
Grand Total		$772,386,167.03

COMPARATIVE STATEMENT OF UNAPPROPRIATED EARNED SURPLUS ACCOUNT, YEARS ENDED DECEMBER 31

	1952	1951	Increase	Decrease
CREDITS:				
Credit balance at beginning of year	$275,855,508.89	$263,748,637.01	$ 12,106,871.88	....
Credit balance transferred from income	15,187,689.72	13,290,578.54	1,897,111.18	....
Miscellaneous credits	2,896,810.33	148,320.73	2,748,489.60	....
Total	$293,940,008.94	$277,187,536.28	$ 16,752,472.66	....
DEBITS:				
Miscellaneous debits	$ 533,933.57	$ 1,332,027.39	....	$ 798,093.82
Credit balance carried to balance sheet	293,406,075.37*	275,855,508.89*	$ 17,550,566.48	....
Total	$293,940,008.94	$277,187,536.28	$ 16,752,472.66	....

* Approximate application of Income included in Unappropriated Earned Surplus as of December 31:

	1952	1951
Net working capital retained in the business	$ 44,178,011	$ 21,668,839
Invested in affiliated and non-affiliated companies	21,603,220	29,741,064
Expended in improving the Railroad plant	227,624,844	224,445,606
	$293,406,075	$275,855,509

Appropriated Surplus Income of $48,025,460 (page 23) was expended in retiring Funded Debt prior to year 1928.

INVESTMENT IN ROAD AND EQUIPMENT, YEAR 1952

Account		Additions and Betterments
Engineering		$ 461,215.49
Land for transportation purposes		788,076.28
Other right-of-way expenditures		84,941.85
Grading		3,308,139.11
Tunnels and subways	Cr.	12,995.89
Bridges, trestles and culverts		2,919,243.96
Ties		380,379.97
Rails		925,670.89
Other track material		960,207.03
Ballast		272,212.15
Track laying and surfacing		663,785.69
Fences, snowsheds and signs		144,953.57
Station and office buildings		1,116,605.73
Roadway buildings		51,876.84
Water stations	Cr.	413,993.90
Fuel stations		7,853.79
Shops and enginehouses		200,365.88
Communication systems		171,455.35
Signals and interlockers		1,838,784.81
Power plants		1,264.37
Power transmission systems		13,789.67
Miscellaneous structures	Cr.	128,093.86
Roadway machines		269,860.51
Roadway small tools		4,002.67
Public improvements—Construction		692,417.63
Shop machinery		47,968.40
Power plant machinery		80,193.17
Total expenditures for road		14,850,181.16
Steam locomotives	Cr.	2,485,517.29
Other locomotives		6,437,005.86
Freight-train cars		3,609,867.14
Passenger-train cars		6,092,613.19
Work equipment		440,559.69
Miscellaneous equipment		50,076.86
Total expenditures for equipment		14,144,605.45
Organization expenses		592.19
General officers and clerks	Cr.	13,878.69
Law	Cr.	8,402.07
Stationery and printing	Cr.	424.97
Taxes		770.11
Interest during construction	Cr.	189,267.46
Other expenditures—general	Cr.	5,324.55
Total general expenditures	Cr.	215,935.44
Grand total		$28,778,851.17

"Cr."—Credits due to retirements.

STATISTICS OF OPERATIONS

ITEMS	1952	1951
Actual miles road operated, end of year	8,866.59	8,834.10
Average mileage of road operated—Total	8,823.89	8,824.01
Average mileage of road operated—Freight Service.	8,789.70	8,789.82
Average mileage of road operated—Passgr. Service.	5,056.07	5,286.34
TRAIN MILES		
Freight	14,303,105	14,863,087
Passenger	11,755,431	11,822,960
Total transportation service	26,058,536	26,686,047
Work service	298,912	343,585
LOCOMOTIVE MILES		
Freight	14,939,998	15,650,488
*Passenger	10,912,248	10,898,636
Train and yard switching	7,180,137	7,485,339
Total transportation service	33,032,383	34,034,463
Work service	775,804	852,332
CAR MILES		
Loaded freight cars	592,905,624	630,503,623
Empty freight cars	310,553,546	311,956,764
Sum of loaded and empty	903,459,170	942,460,387
Caboose	13,920,155	14,597,692
Total freight cars	917,379,325	957,058,079
Coach and combination passenger cars	27,191,573	26,423,730
Sleeping and parlor	23,281,461	23,418,090
Club, lounge, dining and observation	9,697,093	9,425,760
Other	46,197,886	46,420,870
Total passenger cars	106,368,013	105,688,450
Total transportation service	1,023,747,338	1,062,746,529
Work service	2,737,984	2,547,541
FREIGHT SERVICE		
Tons—revenue freight	50,264,564	53,344,607
Tons—revenue and non-revenue freight	54,749,213	58,135,626
Ton-miles—revenue freight	17,096,963,216	18,625,331,705
Ton-miles—revenue and non-revenue freight	18,246,186,400	19,843,907,800
PASSENGER SERVICE		
Passengers carried—revenue	10,756,114	10,421,176
Passenger miles—revenue	883,204,861	826,128,429

*Excludes mileage of combination motor passenger cars:

1952— 980,766
1951—1,088,191

STATISTICS OF OPERATIONS—Continued

ITEMS	1952	1951
AVERAGES PER MILE OF ROAD		
Freight-train miles	1,627	1,691
Passenger-train miles	2,325	2,237
Transportation service train-miles	2,953	3,024
Transportation service locomotive-miles	3,744	3,857
Freight service car-miles	104,370	108,883
Passenger service car-miles	21,038	19,993
Freight revenue	$25,396.88	$25,057.82
Passenger service train revenue	$ 7,537.47	$ 7,087.89
Operating revenues	$30,638.16	$30,212.30
Operating expenses	$21,921.85	$21,445.38
Net operating revenue	$ 8,716.31	$ 8,766.92
Net railway operating income	$ 3,597.51	$ 3,413.04
Ton-miles—revenue freight	1,937,577	2,110,756
Ton-miles—all freight	2,067,817	2,248,854
Passenger-miles—revenue	100,092	93,623
AVERAGES PER TRAIN-MILE		
Loaded freight car-miles	41.45	42.42
Empty freight car-miles	21.71	20.99
Ton-miles—revenue freight	1,195.33	1,253.13
Ton-miles—all freight	1,275.68	1,335.11
Passenger train car-miles	9.05	8.94
Revenue passenger-miles	75.13	69.87
Freight revenue	$ 15.61	$ 14.82
Passenger service train revenue	$ 3.24	$ 3.17
Operating revenues	$ 10.37	$ 9.99
Operating expenses	$ 7.42	$ 7.09
Net operating revenue	$ 2.95	$ 2.90
AVERAGES PER LOADED FREIGHT CAR MILE		
Ton-miles—revenue freight	28.84	29.54
Ton-miles—all freight	30.77	31.47
Freight revenue	$ .37650	$ .34933
AVERAGES PER CAR-MILE, PASSENGER		
Passenger-miles—revenue	17.76	16.84
Passenger revenue	$ .40574	$ .39131
MISCELLANEOUS AVERAGES		
Miles hauled—revenue freight	340.14	349.15
Miles hauled—non-revenue freight	256.26	254.34
Miles hauled—all freight	333.27	341.34
Miles carried—revenue passengers	82.11	79.27
Revenue per ton of freight	$ 4.44112	$ 4.12888
Revenue per ton-mile of freight	$ .01306	$ .01183
Revenue per passenger	$ 1.87553	$ 1.84170
Revenue per passenger-mile	$ .02284	$ .02323
Operating ratio	71.55	70.98

FUNDED DEBT

December 31, 1952

	Owned by Company		Outstanding
	Unpledged	Pledged	
GENERAL MORTGAGE			
4% Bonds Due 3-1-1958	$ 7,282,000	(a)$146,542,000	$ 24,590,000
FIRST AND REFUNDING MORTGAGE			
Series B 4½% Bonds Due 2-1-1977	12,254,600		
Series of 1970 4½% Bonds Due 8-1-1970	10,140,000		
Series of 1970 2⅞% Bonds Due 8-1-1970	209,000		(b) 47,788,000
Series of 1985 3⅛% Bonds Due 8-1-1985	1,666,000		(c) 53,639,000
Series of 1990 3% Bonds Due 2-1-1990	21,000		(d) 24,228,000
Total Bonds	$31,572,600	$146,542,000	$150,245,000
EQUIPMENT TRUST CERTIFICATES			
Average interest 2.15%			17,558,000
CONDITIONAL SALE CONTRACTS			
Average interest 2.61%			30,004,109
Total Funded Debt	$31,572,600	$146,542,000	$197,807,109

(a) Pledged under First and Refunding Mortgage.

(b) Annual sinking fund $248,825.

(c) Annual sinking fund $325,000 together with an amount equal to 10% of dividends paid by the Company on its capital stock in the preceding calendar year.

(d) Annual sinking fund $250,000.

CHANGES IN CAPITAL LIABILITIES IN 1952

	Increase	Decrease
Bonds redeemed:		
First and Refunding 4½% Series B	....	$ 5,612,600
First and Refunding 2⅞% Series of 1970	....	155,000
First and Refunding 3⅛% Series of 1985	....	1,500,000
First and Refunding 3% Series of 1990	....	250,000
Principal of Equipment Obligations retired:		
Equipment Trust of 1944	....	152,000
Equipment Trust of 1948	....	482,000
Equipment Trust of 1949—No. 1	....	214,000
Equipment Trust of 1949—No. 2	....	206,000
Equipment Trust of 1950	....	680,000
Equipment Conditional Sale Contracts	....	4,641,033
Securities issued:		
Equipment Conditional Sale Contracts	$15,053,160	....
Bonds called for redemption 2/1/52 and not redeemed as of December 31, 1952:		
First and Refunding 4½% Series B (carried as a current liability)	....	205,500
	$15,053,160	$14,098,133
Net Increase	$ 955,027	

DESCRIPTION OF MORTGAGES

General Mortgage

The General Mortgage is a first lien on 7,670.10 miles of main and branch line railroad now owned by the Company, including terminals and appurtenant property, situated in the States of Illinois, Wisconsin, Minnesota, Iowa, Missouri, Nebraska, Kansas, Colorado, South Dakota, Wyoming, and Montana; is a first lien on all locomotives, cars, and other rolling stock and equipment owned by the Company and not subject to any equipment trust, conditional sale agreement, or other lien securing the purchase price thereof; and also is a first lien on 305,262 shares of the capital stock of The Colorado and Southern Railway Company, which are pledged under this Mortgage.

The General Mortgage contains no provision for redemption of the Bonds or for sinking fund. No additional Bonds may be issued under the Mortgage, but there is no limitation on the right to extend, by agreement with the holders, the maturity of outstanding General Mortgage Bonds.

First and Refunding Mortgage

The First and Refunding Mortgage is secured by the pledge of $146,542,000 principal amount, or 82.1 per cent of the General Mortgage Bonds issued, so that $1,166 principal amount of General Mortgage Bonds were pledged under the First and Refunding Mortgage with respect to each $1,000 principal amount of First and Refunding Mortgage Bonds outstanding in the hands of the public December 31, 1952. The First and Refunding Mortgage is a second lien on all railroad, equipment, and capital stock, on which the General Mortgage is a first lien as above stated, and the First and Refunding Mortgage is a first lien on 478.30 miles of railroad owned by the Company in the States of Wyoming, Montana, Illinois, Wisconsin, and Nebraska, and on certain capital stock of bridge, depot, terminal, and other companies.

Additional First and Refunding Mortgage Bonds may be issued, subject to the provisions and limitations of the Mortgage and the Supplemental Indentures thereto.

Provisions for the redemption of each series of First and Refunding Mortgage Bonds, and the sinking funds for certain series, are summarized as follows:

> Series of 1970 2⅞% Bonds may be redeemed as a whole, or in part, on any interest payment date at 104⅞ August 1, 1949 to July 31, 1953; thereafter premium reduces periodically to August 1, 1969, after which date callable at par; in each instance with accrued interest.
>
> An annual sinking fund of $248,825 for redemption of Series of 1970 2⅞% Bonds is payable to Trustee on or before May 1 each year, beginning May 1, 1946. For such redemption, prices are 102⅜ August 1, 1949 to July 31, 1953, reduced periodically to August 1, 1969, and thereafter at par; in each instance with accrued interest.
>
> Series of 1985 3⅛% Bonds may be redeemed as a whole or in part, on any interest date at 105 August 1, 1949 to July 31, 1953; thereafter premium reduces periodically to August 1, 1982, after which date callable at par; in each instance with accrued interest.
>
> An annual sinking fund of $325,000, together with an amount equal to 10% of dividends paid by the Company on its capital stock in the preceding calendar year, is payable to the Trustee before May 1 in each year beginning May 1, 1946, for redemption of the Series of 1985 Bonds. Redemption prices are 102¼ August 1, 1949 to July 31, 1953, with periodical reductions to August 1, 1982, and par thereafter; in each instance with accrued interest.
>
> Series of 1990 3% Bonds may be redeemed as a whole, or in part, on any interest date at 104 February 1, 1950 to January 31, 1954; thereafter premium reduces periodically to January 31, 1989, after which date callable at par; in each instance with accrued interest.
>
> An annual sinking fund of $250,000 for redemption of Series of 1990 3% Bonds is payable to Trustee on or before November 1 each year, beginning November 1, 1950. For such redemption, prices are 101 February 1, 1950 to January 31, 1954, reduced periodically to January 31, 1989, and thereafter at par; in each instance with accrued interest.

MILEAGE

	Miles of Road	Second Track	Third Track	Fourth Track	Yard Tracks and Sidings*	Total
Owned						
Colorado	392.77	.52			182.01	575.30
Illinois	1,591.08	387.10	40.94	2.19	1,048.68	3,069.99
Iowa	998.54	249.36			283.25	1,531.15
Kansas	217.26				22.41	239.67
Minnesota	23.09	2.71			39.02	64.82
Missouri	1,165.76	115.90			422.33	1,703.99
Montana	134.53				48.51	183.04
Nebraska	2,674.84	29.32			795.96	3,500.12
South Dakota	183.47				37.44	220.91
Wisconsin	220.25	214.17			64.62	499.04
Wyoming	677.60				218.20	895.80
Total*	8,279.19	999.08	40.94	2.19	3,162.43	12,483.83
Operated under lease or contract	587.40	128.05	.76	.76	454.10	1,171.07
Grand Total*	8,866.59	1,127.13	41.70	2.95	3,616.53	13,654.90

*Includes yard tracks and sidings owned but not operated as follows:
Illinois .86 mile, Iowa .71 mile, Nebraska .27 mile, total 1.84 miles.

OWNED EQUIPMENT IN SERVICE

Description	Number on Dec. 31, 1951	Number Added During Year	Number Retired During Year	Number on Dec. 31, 1952	Average tractive power all locomotives and average capacity all freight cars
Locomotives—Steam	561		88	473	
—Diesel Road	322	31		353	
—Diesel Switch	168			168	
—Gas-Electric	3		1	2	
Total Locomotives	1,054	31	89	996	58,170 Lbs.
Freight-train cars:					
Box	21,687	6	258	21,435	
Flat	1,598	400	26	1,972	
Stock	3,557		19	3,538	
Gondola and Hopper	15,451	451	1,472	14,430	
Caboose	573		11	562	
All classes of freight-train cars	42,866	857	1,786	41,937	49.42 Tons
Passenger-train cars:					
Coaches	258	5	24	239	
Combination coach	47	3	2	48	
Parlor	3		1	2	
Sleeping	15	4	1	18	
Dining	31	3	3	31	
Club, lounge and observation	14	6	1	19	
Postal	23			23	
Baggage, express and other nonpassenger	589	2	25	566	
Total	980	23	57	946	
Passenger rail motor cars:					
Combination coach	11		3	8	
Other passenger-train rail motor	13			13	
Total	24		3	21	
Articulated Zephyr trains	7			7	
Cars in articulated trains‡					
Coaches	12		1	11	
Combination coach	15		1	14	
Parlor and sleeping	4			4	
Other passenger-train	11			11	
Total	42		2	40	
All classes of passenger-train cars	1,046	23	62	1,007	
Company service cars:					
Officers' and business	16	1		17	
Ballast	1,405	1	33	1,373	
Derrick	3			3	
Wrecking	19			19	
Other company service	3,543	85	145	3,483	
All classes of company service cars	4,986	87	178	4,895	
All classes of cars in service	48,898	967	2,026	47,839	

OWNED EQUIPMENT LEASED

Description	Number Under Lease on Dec. 31, 1951	Number Leased During Year	Number Withdrawn from Lease During Year	Number Under Lease on Dec. 31, 1952
Diesel-electric locomotive†	1			1
Freight-refrigerator cars*	1,916	275	77	2,114
Freight-stock cars†	73		73	
Freight-flat cars†	15			15
Passenger-refrigerator cars*	29			29
Zephyr train cars†	5			5
Sleeping cars#	71	19	4	86

‡8 cars not articulated

*Leased to Burlington Refrigerator Express Co.

#Leased to Pullman Co. (8 cars are articulated)

†Leased to Fort Worth and Denver Ry. Co.

COMPARATIVE STATEMENT OF INCOME ACCOUNT FOR YEARS ENDED DECEMBER 31

	1952	1951	Increase	Decrease
RAILWAY OPERATING REVENUES—				
TRANSPORTATION:				
Freight	$223,230,964.22	$220,253,697.00	$ 2,977,267.22	
Passenger	20,173,457.34	19,192,719.18	980,738.16	
Baggage	50,762.57	47,324.60	3,437.97	
Parlor and chair car	160,865.41	131,569.80	29,295.61	
Mail	10,883,345.17	12,516,543.71		$ 1,633,198.54
Express	3,985,781.79	2,786,753.47	1,199,028.32	
Other passenger-train	199,127.44	328,872.41		129,744.97
Milk	275,014.37	272,004.05	3,010.32	
Switching	4,057,289.38	3,827,471.95	229,817.43	
Total	$263,016,607.69	$259,356,956.17	$ 3,659,651.52	
INCIDENTAL:				
Dining and buffet	$ 2,381,621.71	$ 2,193,219.44	$ 188,402.27	
Station and train privileges	53,964.83	50,359.16	3,605.67	
Parcel room	1,108.60	1,218.20		$ 109.60
Storage—Freight	32,786.95	20,399.18	12,387.77	
Storage—Baggage	5,105.06	5,663.34		558.28
Demurrage	599,948.99	1,023,734.42		423,785.43
Communication	115,319.83	134,597.55		19,277.72
Power	8,422.86	7,539.79	883.07	
Rents of buildings and other property	304,194.64	305,666.05		1,471.41
Miscellaneous	2,786,421.71	2,505,941.77	280,479.94	
Total	$ 6,288,895.18	$ 6,248,338.90	$ 40,556.28	
Joint facility—Cr.	$ 1,053,953.58	$ 1,001,998.58	$ 51,955.00	
Joint facility—Dr.	Dr. 11,676.91	Dr. 13,625.29	1,948.38	
Total	$ 1,042,276.67	$ 988,373.29	$ 53,903.38	
Total railway operating revenues	$270,347,779.54	$266,593,668.36	$ 3,754,111.18	

	1952	1951	Increase	Decrease
RAILWAY OPERATING EXPENSES—				
Maintenance of way and structures	$ 36,457,366.08	$ 36,724,740.16		$ 267,374.08
Maintenance of equipment	32,469,629.17	30,867,465.70	$ 1,602,163.47	
Traffic	5,662,758.86	5,386,677.10	276,081.76	
Transportation	95,078,458.09	93,513,741.48	1,564,716.61	
Miscellaneous operations	3,449,509.97	3,223,255.79	226,254.18	
General	6,297,126.90	6,027,175.71	269,951.19	
Railway operating expenses—excluding depreciation, retirements and amortization	$179,414,849.07	$175,743,055.94	$ 3,671,793.13	
Depreciation, Retirements and Amortization—				
Road Property	5,650,946.26	5,058,096.78	592,849.48	
Equipment	8,370,164.31	8,433,085.85		$ 62,921.54
Total railway operating expenses	$193,435,959.64	$189,234,238.57	$ 4,201,721.07	
Operating Ratio (For Operating Ratios by general accounts see Page 21)	71.55	70.98	.57	
Net revenue from railway operations	$ 76,911,819.90	$ 77,359,429.79		$ 447,609.89
Railway tax accruals	$ 39,690,137.06	$ 41,233,780.67		$ 1,543,643.61
Railway operating income	$ 37,221,682.84	$ 36,125,649.12	$ 1,096,033.72	
RENT INCOME				
Rent from equipment	$ 1,331,492.22	$ 1,374,461.19		$ 42,968.97
Joint facility rent income	663,013.67	724,031.32		61,017.65
Total rent income	$ 1,994,505.89	$ 2,098,492.51		$ 103,986.62
RENTS PAYABLE				
Rent for equipment	$ 4,565,620.56	$ 5,440,411.98		$ 874,791.42
Joint facility rents	2,906,573.00	2,667,058.10	$ 239,514.90	
Total rents payable	$ 7,472,193.56	$ 8,107,470.08		$ 635,276.52
Net rents	Dr. $5,477,687.67	Dr. $6,008,977.57		$ 531,289.90
Net railway operating income	$ 31,743,995.17	$ 30,116,671.55	$ 1,627,323.62	

COMPARATIVE STATEMENT OF INCOME ACCOUNT FOR YEARS ENDED DECEMBER 31—Continued

	1952	1951	Increase	Decrease
OTHER INCOME				
Income from lease of road and equipment	$ 7,425.89	$ 7,874.57		$ 448.68
Miscellaneous rent income	540,305.27	503,464.94	$ 36,840.33	
Income from nonoperating property	234,884.16	229,824.55	5,059.61	
Seperately operated properties—profit	8,655.03	11,200.08		2,545.05
Dividend income	396,100.80	371,593.30	24,507.50	
Interest income	1,075,853.07	449,075.54	626,777.53	
Release of premiums on funded debt	21.32	21.39		.07
Miscellaneous income	24,325.29	37,343.61		13,018.32
Total other income	$ 2,287,570.83	$ 1,610,397.98	$ 677,172.85	
Total income	$ 34,031,566.00	$ 31,727,069.53	$ 2,304,496.47	
MISCELLANEOUS DEDUCTIONS FROM INCOME				
Miscellaneous rents	$ 27,522.79	$ 30,589.60		$ 3,066.81
Miscellaneous tax accruals	99,049.75	90,218.86	$ 8,830.89	
Miscellaneous income charges	130,241.05	337,805.91		207,564.86
Total miscellaneous deductions	$ 256,813.59	$ 458,614.37		$ 201,800.78
Income available for fixed charges	$ 33,774,752.41	$ 31,268,455.16	$ 2,506,297.25	
FIXED CHARGES				
Rent for leased roads and equipment	$ 50,858.18	$ 50,817.21	$ 40.97	
Interest on funded debt	5,679,181.34	5,915,575.55		$ 236,394.21
Interest on unfunded debt	2,880.90	3,172.36		291.46
Amortization of discount on funded debt	41,239.77	49,602.50		8,362.73
Total fixed charges	$ 5,774,160.19	$ 6,019,167.62		$ 245,007.43
Net income after fixed charges	$ 28,000,592.22	$ 25,249,287.54	$ 2,751,304.68	
Dividend appropriations of income	$ 12,812,902.50	$ 11,958,709.00	$ 854,193.50	
Balance of income transferred to Earned Surplus	$ 15,187,689.72	$ 13,290,578.54	$ 1,897,111.18	

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

OPERATING REVENUES

Year ended December 31	Average operated mileage	Freight Revenue	Passenger Revenue	Mail, express and miscellaneous revenue
1921	9,393.07	$122,716,630	$ 31,396,048	$ 14,599,590
1922	9,393.69	121,388,901	28,380,104	15,147,466
1923	9,401.41	126,433,098	28,569,831	16,267,732
1924	9,407.23	119,773,873	26,522,642	16,378,363
1925	9,398.62	118,670,808	25,116,398	15,367,972
1926	9,403.79	121,410,650	24,288,307	15,618,485
1927	9,390.00	118,497,414	22,058,572	15,764,468
1928	9,375.44	126,952,879	19,715,276	16,223,254
1929	9,373.21	126,777,844	18,817,973	16,814,108
1930	9,332.76	111,157,128	15,360,186	14,862,108
1931	9,312.69	88,237,564	11,205,062	11,776,334
1932	9,261.96	63,182,739	7,311,279	9,049,611
1933	9,237.41	63,319,234	6,722,104	8,455,637
1934	9,143.98	64,815,018	6,749,238	8,723,903
1935	9,035.66	66,817,189	6,978,101	9,129,919
1936	9,004.40	79,716,638	8,217,025	10,148,748
1937	8,975.40	79,966,473	9,717,844	10,466,895
1938	8,964.66	74,134,765	9,141,388	9,793,983
1939	8,973.06	76,853,603	9,167,835	10,110,356
1940	8,973.21	78,198,344	8,964,197	10,468,701
1941	9,036.00	94,874,259	10,697,250	11,949,846
1942	9,077.68	131,770,823	19,100,283	14,418,219
1943	9,029.56	166,123,159	32,923,900	18,905,424
1944	8,989.35	180,453,652	40,141,385	20,042,363
1945	8,965.22	183,286,915	38,193,572	21,062,311
1946	8,865.75	148,897,285	27,896,559	19,131,821
1947	8,864.97	181,409,104	19,029,068	20,740,839
1948	8,813.82	199,341,245	20,198,852	21,823,554
1949	8,766.61	179,802,953	17,818,681	20,374,874
1950	8,842.51	199,932,606	17,679,514	27,635,441
1951	8,824.01	220,253,697	19,192,719	27,147,252
1952	8,823.89	223,230,964	20,173,457	26,943,359

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

REVENUES, EXPENSES, AND TAXES

Year Ended Dec. 31	Total Operating Revenues	Total Operating Expenses	Taxes	Average Per Mile of Road Operated		
				Operating Revenues	Operating Expenses	Taxes
1921	$168,712,268	$128,216,290	$ 9,718,568	$17,961	$13,650	$1,035
1922	164,916,471	126,777,703	10,890,007	17,556	13,496	1,159
1923	171,270,661	134,290,379	9,268,055	18,218	14,284	986
1924	162,674,878	119,958,734	10,642,576	17,293	12,752	1,131
1925	159,155,178	116,671,868	10,975,481	16,934	12,414	1,168
1926	161,317,442	116,462,808	11,480,061	17,155	12,385	1,221
1927	156,320,454	111,917,503	11,676,578	16,648	11,919	1,244
1928	162,891,409	114,191,159	11,192,210	17,374	12,180	1,194
1929	162,409,925	111,565,542	12,025,394	17,327	11,903	1,283
1930	141,379,422	98,877,813	11,191,877	15,149	10,595	1,199
1931	111,218,960	77,465,969	9,955,502	11,943	8,318	1,069
1932	79,543,629	58,517,604	8,148,156	8,588	6,318	880
1933	78,496,975	54,361,599	6,918,697	8,498	5,885	749
1934	80,288,159	58,007,983	5,783,597	8,780	6,344	633
1935	82,925,209	62,544,384	5,983,920	9,178	6,922	662
1936	98,082,411	71,243,003	8,411,126	10,893	7,912	934
1937	100,151,212	74,278,004	7,731,466	11,158	8,276	861
1938	93,070,136	67,087,220	9,061,509	10,382	7,484	1,011
1939	96,131,794	70,885,896	8,616,802	10,713	7,900	960
1940	97,631,242	71,853,873	8,697,632	10,880	8,008	969
1941	117,521,355	83,047,925	11,900,410	13,006	9,191	1,317
1942	165,289,325	99,415,696	26,192,996	18,208	10,952	2,885
1943	217,952,483	123,559,336	55,573,644	24,138	13,684	6,155
1944	240,637,400	145,854,303	57,190,637	26,769	16,225	6,362
1945	242,542,798	174,150,921	30,248,889	27,054	19,425	3,374
1946	195,925,665	139,250,672	25,693,903	22,099	15,707	2,898
1947	221,179,011	149,996,344	34,407,950	24,950	16,920	3,881
1948	241,363,651	167,888,010	35,912,048	27,385	19,048	4,075
1949	217,996,508	167,265,649	26,192,248	24,867	19,080	2,988
1950	245,247,561	161,964,673	39,773,302	27,735	18,317	4,498
1951	266,593,668	189,234,239	41,233,781	30,212	21,445	4,673
1952	270,347,780	193,435,960	39,690,137	30,638	21,922	4,498

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

SUMMARY OF FINANCIAL RESULTS

Year ended December 31	Total revenues, including income from other sources	Expenses, taxes, rentals, and other charges	Interest on Bonds	Net Income	Earnings per Share of Stock
1921	$171,852,639	$139,435,531	$6,807,134	$25,609,974	$16.43
1922	168,386,706	140,005,948	8,119,271	20,261,487	11.86
1923	173,735,425	146,188,407	8,256,488	19,290,530	11.29
1924	164,788,967	134,247,699	8,641,439	21,899,829	12.82
1925	161,234,121	131,356,234	8,693,294	21,184,593	12.40
1926	164,314,046	131,699,096	8,626,981	23,987,969	14.04
1927	159,202,361	128,632,779	9,126,458	21,443,124	12.55
1928	165,929,135	130,473,328	9,177,555	26,278,252	15.38
1929	166,122,417	127,461,244	9,084,635	29,576,538	17.31
1930	144,904,521	113,840,027	9,084,635	21,979,859	12.87
1931	113,518,034	91,113,664	9,084,635	13,319,735	7.80
1932	80,906,548	70,319,097	9,084,635	1,502,816	.88
1933	80,058,804	65,376,145	9,084,635	5,598,024	3.28
1934	81,542,327	68,002,932	9,084,635	4,454,760	2.61
1935	84,006,102	73,078,623	9,084,635	1,842,844	1.08
1936	99,376,761	85,081,198	9,138,399	5,157,164	3.02
1937	101,506,074	87,279,925	9,318,895	4,907,254	2.87
1938	94,165,952	81,111,532	9,412,657	3,641,763	2.13
1939	97,266,759	84,228,649	9,376,771	3,661,339	2.14
1940	98,701,774	84,895,212	9,413,698	4,392,864	2.57
1941	118,744,477	98,760,692	9,564,643	10,419,142	6.10
1942	166,665,657	128,483,699	9,535,038	28,646,920	16.77
1943	219,490,878	182,551,064	8,708,550	28,231,264	16.53
1944	242,151,510	209,035,730	8,468,658	24,647,122	14.43
1945	244,142,926	209,309,218	7,428,309	27,405,399	16.04
1946	198,259,728	169,368,261	5,788,692	23,102,775	13.52
1947	223,062,115	189,666,103	5,654,141	27,741,871	16.24
1948	242,652,523	208,881,475	5,689,348	28,081,700	16.44
1949	219,734,305	198,626,445	5,688,368	15,419,492	9.03
1950	247,617,300	207,712,870	6,142,775	33,761,655	19.76
1951	268,204,066	237,039,202	5,915,576	25,249,288	14.78
1952	272,635,351	238,955,578	5,679,181	28,000,592	16.39

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

MAINTENANCE AND TRANSPORTATION EXPENSES

Year ended Dec. 31	Avge. oper. mileage	Maintenance of Way and Structures	Maintenance of Equipment	Transportation	Average per Mile of Road Operated		
					M. of W. & S.	M. of E.	Transp.
1921	9,393.07	$22,917,767	$34,290,506	$63,564,017	$2,440	$3,651	$6,767
1922	9,393.69	20,769,379	35,735,414	62,875,593	2,211	3,804	6,693
1923	9,401.41	21,984,557	40,654,336	63,395,808	2,338	4,324	6,743
1924	9,407.23	19,413,917	34,786,170	57,810,258	2,064	3,698	6,145
1925	9,398.62	19,737,011	33,669,420	55,021,563	2,100	3,582	5,854
1926	9,403.79	23,965,178	30,131,658	54,315,494	2,548	3,204	5,776
1927	9,390.00	23,668,878	26,486,675	53,503,272	2,521	2,821	5,698
1928	9,375.44	25,515,422	27,197,586	52,922,445	2,722	2,901	5,645
1929	9,373.21	24,414,605	26,080,966	52,083,144	2,605	2,783	5,557
1930	9,332.76	20,311,640	22,553,488	46,922,911	2,176	2,417	5,028
1931	9,312.69	13,721,164	17,785,942	38,030,549	1,473	1,910	4,084
1932	9,261.96	9,576,465	13,341,550	28,952,905	1,034	1,440	3,126
1933	9,237.41	8,561,684	12,140,500	27,374,245	927	1,314	2,963
1934	9,143.98	9,860,327	12,431,389	28,564,565	1,078	1,360	3,124
1935	9,035.66	10,824,581	14,950,520	30,844,332	1,198	1,655	3,414
1936	9,004.40	12,797,545	16,820,495	34,549,546	1,421	1,868	3,837
1937	8,975.40	14,033,990	17,275,279	36,183,417	1,564	1,925	4,031
1938	8,964.66	11,654,202	15,409,733	33,620,007	1,300	1,719	3,750
1939	8,973.06	12,844,765	17,381,993	34,256,996	1,431	1,937	3,818
1940	8,973.21	13,353,279	16,783,688	35,277,423	1,488	1,870	3,931
1941	9,036.00	16,959,394	19,816,531	39,526,885	1,877	2,193	4,374
1942	9,077.68	21,025,235	24,106,233	46,267,051	2,316	2,656	5,097
1943	9,029.56	29,835,736	28,195,666	55,805,743	3,304	3,123	6,180
1944	8,989.35	40,175,260	33,790,768	61,653,940	4,469	3,759	6,859
1945	8,965.22	47,843,082	51,952,634	63,650,499	5,337	5,795	7,100
1946	8,865.75	31,412,419	27,660,941	68,613,877	3,543	3,120	7,739
1947	8,864.97	32,484,480	29,682,429	75,766,163	3,664	3,348	8,547
1948	8,813.82	37,260,444	34,365,642	83,366,308	4,228	3,899	9,459
1949	8,766.61	36,261,258	38,419,338	78,842,227	4,136	4,382	8,993
1950	8,842.51	33,786,916	34,037,570	80,955,660	3,821	3,849	9,155
1951	8,824.01	41,782,837	39,300,552	93,513,741	4,735	4,454	10,597
1952	8,823.89	42,108,312	40,839,794	95,078,458	4,772	4,628	10,775

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

OPERATING EXPENSE RATIOS

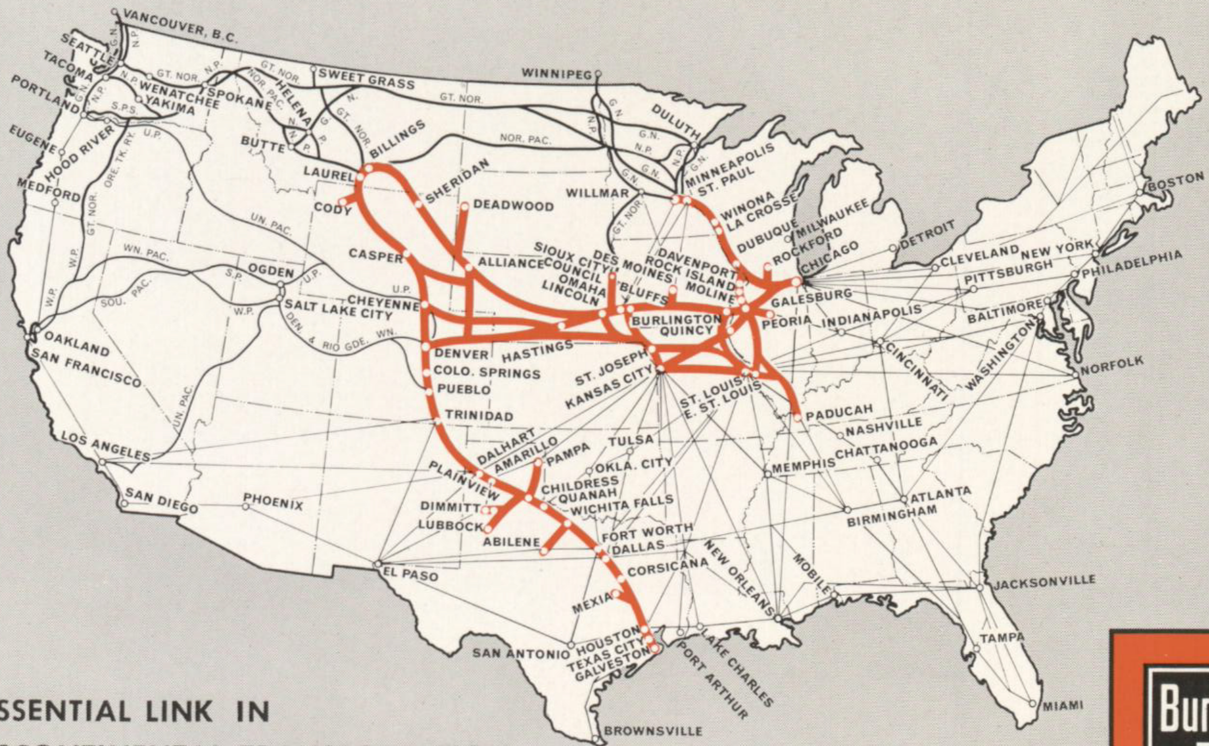
Year ended December 31	Maintenance of Way and Structures	Maintenance of Equipment	Transportation	Total Operating Expenses
1921	13.58	30.32	37.68	76.00
1922	12.59	21.67	38.13	76.87
1923	12.84	23.74	37.01	78.41
1924	11.93	21.38	35.54	73.74
1925	12.40	21.16	34.57	73.31
1926	14.85	18.68	33.67	72.19
1927	15.14	16.94	34.23	71.60
1928	15.66	16.70	32.48	70.10
1929	15.03	16.06	32.07	68.69
1930	14.37	15.95	33.19	69.94
1931	12.34	15.99	34.19	69.65
1932	12.04	16.77	36.40	73.57
1933	10.91	15.46	34.87	69.25
1934	12.28	15.48	35.58	72.25
1935	13.05	18.03	37.20	75.42
1936	13.05	17.15	35.22	72.64
1937	14.01	17.25	36.13	74.17
1938	12.52	16.56	36.12	72.08
1939	13.36	18.08	35.64	73.74
1940	13.68	17.19	36.13	73.60
1941	14.44	16.86	33.64	70.67
1942	12.72	14.59	27.99	60.15
1943	13.69	12.94	25.60	56.69
1944	16.70	14.04	25.62	60.61
1945	17.88	14.86	26.24	63.39
1946	16.03	14.10	35.02	71.07
1947	14.69	13.42	34.26	67.82
1948	15.44	14.24	34.54	69.56
1949	16.63	17.62	36.17	76.73
1950	13.78	13.88	33.01	66.04
1951	15.67	14.74	35.08	70.98
1952	15.57	15.11	35.17	71.55

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

FREIGHT AND PASSENGER TRAFFIC

Year ended December 31	Carloads Revenue Freight (Excl. L.C.L.)	Revenue Ton Miles (000)	Revenue Per Ton Mile (Cents)	Revenue Passenger Miles (000)	Revenue Per Pass. Mile (Cents)
1921	1,138,140	10,554,788	1.163	999,701	3.141
1922	1,267,228	11,754,596	1.033	941,748	3.014
1923	1,422,035	12,690,384	.996	967,097	2.954
1924	1,392,061	12,287,748	.975	909,302	2.917
1925	1,394,884	12,298,288	.965	893,670	2.810
1926	1,427,076	12,651,222	.960	871,773	2.786
1927	1,380,681	11,918,019	.992	811,600	2.718
1928	1,477,074	12,931,723	.982	730,970	2.697
1929	1,468,784	12,873,521	.985	719,017	2.617
1930	1,285,504	11,356,359	.979	606,612	2.532
1931	1,015,772	8,888,694	.993	472,742	2.370
1932	761,188	6,297,639	1.003	347,834	2.102
1933	790,498	6,598,639	.960	387,065	1.737
1934	858,977	7,137,168	.908	425,949	1.585
1935	844,557	7,522,420	.888	424,789	1.643
1936	1,015,083	9,062,367	.880	499,516	1.645
1937	1,034,615	9,423,153	.849	587,409	1.654
1938	894,051	7,876,092	.941	530,835	1.722
1939	939,635	8,417,254	.913	544,510	1.684
1940	996,830	8,972,423	.872	539,670	1.661
1941	1,181,449	11,339,218	.837	640,033	1.671
1942	1,385,416	15,290,591	.862	1,080,880	1.767
1943	1,509,738	18,960,387	.876	1,822,197	1.807
1944	1,569,328	19,751,865	.914	2,220,707	1.808
1945	1,552,950	18,820,920	.974	2,116,701	1.804
1946	1,451,973	16,657,849	.894	1,529,489	1.824
1947	1,552,552	19,274,376	.941	955,746	1.991
1948	1,488,445	18,357,884	1.086	870,790	2.320
1949	1,314,873	15,250,054	1.179	757,891	2.351
1950	1,397,186	16,755,823	1.193	748,699	2.361
1951	1,491,768	18,625,332	1.183	826,128	2.323
1952	1,422,481	17,096,963	1.306	883,205	2.284

BURLINGTON LINES


VANCOUVER, B.C.
SEATTLE
TACOMA
PORTLAND
EUGENE
HOOD RIVER
MEDFORD
WENATCHEE
YAKIMA
SPOKANE
HELENA
BUTTE
SWEET GRASS
BILLINGS
LAUREL
CODY
SHERIDAN
DEADWOOD
CASPER
ALLIANCE
CHEYENNE
OGDEN
SALT LAKE CITY
OAKLAND
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TRINIDAD
HASTINGS
DALHART
AMARILLO
PAMPA
PLAINVIEW
DIMMITT
LUBBOCK
ABILENE
CHILDRESS
QUANAH
WICHITA FALLS
FORT WORTH
DALLAS
CORSICANA
MEXIA
HOUSTON
TEXAS CITY
GALVESTON
SAN ANTONIO
BROWNSVILLE
PORT ARTHUR
LAKE CHARLES
NEW ORLEANS
MOBILE
TULSA
OKLA. CITY
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ST. PAUL
WILLMAR
WINONA
LA CROSSE
DUBUQUE
MILWAUKEE
ROCKFORD
CHICAGO
DAVENPORT
ROCK ISLAND
MOLINE
SIOUX CITY
DES MOINES
COUNCIL BLUFFS
OMAHA
LINCOLN
BURLINGTON
QUINCY
GALESBURG
PEORIA
ST. JOSEPH
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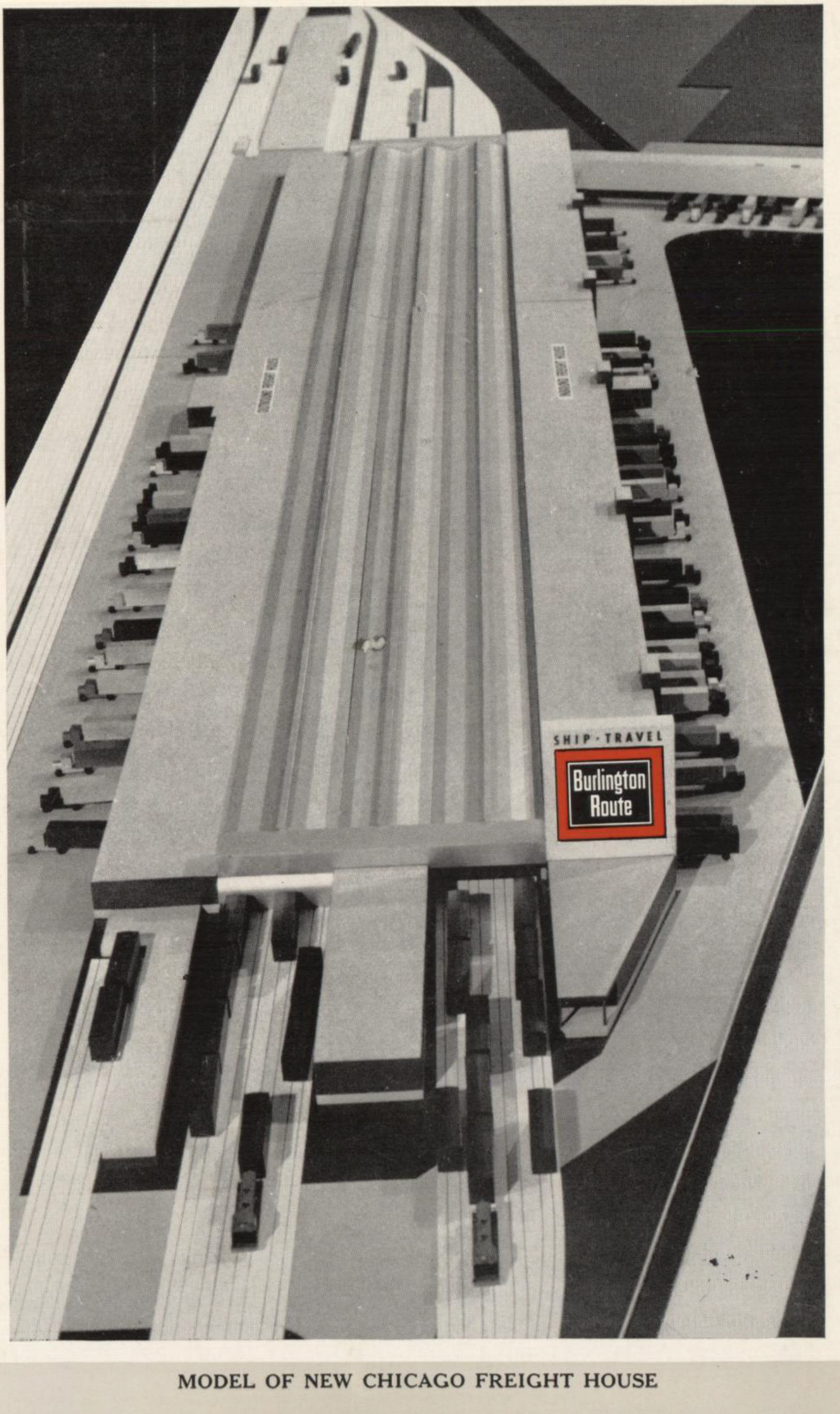
AN ESSENTIAL LINK IN
TRANSCONTINENTAL TRANSPORTATION

Burlington
Route


SHIP · TRAVEL
Burlington Route

MODEL OF NEW CHICAGO FREIGHT HOUSE